

Message Text

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SUBJECT: TAIWAN'S NEW MARKETING OPPORTUNITIES FOR SOPHISTICATED
MACHINE TOOL EQUIPMENT

1. CALLS WERE MADE BY ADVANCE OFFICER BEIRING AND CONTOL OFFICER MU IN TAIPEI ON K. H. WU, SECRETARY GENERAL, CHINA EXTERNAL TRADE DEVELOPMENT COUNCIL (CETDC), S. C. CHI, MANAGING DIRECTOR, METAL INDUSTRIES DEVELOPMENT CENTER, C. C. WANG, SECRETARY-GENERAL, IMPORTERS & EXPORTERS ASSOCIATION OF TAIPEI AND J. L. CHOU, GENERAL SECRETARY, TAIWAN ASSOCIATION OF MACHINE INDUSTRY. THE THRUST OF DISCUSSIONS WAS THAT THE MACHINE TOOL EQUIPMENT INDUSTRY HAS BEEN BUYING APPROXIMATELY 60 PERCENT FROM JAPAN, 30 PERCENT FROM U.S. BUT WOULD LIKE TO REVERSE THIS TRENT GRADUALLY TO MORE BALANCED PERCENTAGE. KEENLY INTERESTED IN ADVANCED U.S. MACHINERY/EQUIPMENT. UNLIKE KOREA WHERE GOVERNMENT SUPERVISES AND STIMULATES REPLACEMENT OBSOLETE EQUIPMENT, IN TAIWAN THIS IS INITIATIVE OF INDUSTRY. NEVER THE LESS, THE NEED AND DESIRE FOR CHANGING TO BETTER EQUIPMENT IS STRONGLY EMPHASIZED BY INDUSTRY LEADERS.

2. MR. J. L. CHOU (TAIWAN ASSOCIATION OF MACHINERY INDUSTRY) STATED WHILE JAPANESE EQUIPMENT LESS EXPENSIVE THAN U.S., IT LASTS ONLY 7 OR 8 YEARS. THEREFORE PREFERENCE IS GIVEN TO U.S. TOP QUALITY EQUIPMENT EVEN THOUGH HIGHER PRICED. MR. CHOU ALSO SAID THE MARKET FOR FOUNDRY EQUIPMENT IS NOW DEVELOPING IN TAIWAN. TAIWAN MAKES CASTINGS FOR MANY FAR EAST COUNTRIES PLUS UNITED STATES GREAT INTEREST ALSO IN UNITED STATES ADVANCED FOUNDRY EQUIPMENT
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(FOR CASTINGS SPECIFICALLY) WHICH MEETS U.S. SPECIFICATIONS/

STANDARDS, TO CUT COSTS AND MEET DEMAND OF FOREIGN BUYERS.

3. PRESENTLY TAIWAN GOVERNMENT THROUGH QUASI-INDUSTRY/
GOVERNMENT ACTION PUSHING 10 MAJOR PROJECTS AS FOLLOWS:

NORTH-SOUTH FREEWAY
RAILROAD ELECTRIFICATION
SUAO-HUALIEN RAILROAD
AIRPORT FOR TAIPEI AT TAOYUAN
NUCLEAR POWER PLANTS
PETROCHEMICAL INDUSTRY
STEEL MILLS
KAOHSIUNG SHIPYARD
SUAO PORT
TAICHUNG PORT

4. ALL ABOVE ASSOCIATIONS WILL PUBLICIZE U.S. METAL-
WORKING TRADE MISSION WITH SEVERAL HOSTING TM MEMBERS
AT SPECIAL LUNCHEES PROVIDING MAXIMUM EXPOSURE TO KEY
BUSINESS/INDUSTRY LEADERS. (MEMBERSHIP LISTINGS BEING
FORWARDED TO WASHINGTON UNDER SEPARATE COVER FOR REFERRAL
TO U.S. ASSOCIATIONS ACTION).
POPPLE

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